

Opening a bank account

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Who can open a Swiss bank account?

In principle, any adult person can open an account at a bank in Switzerland. However, banks reserve the right to reject customers. For example, a bank might refuse to offer banking services to a so-called "politically-exposed person" who the bank believes would pose too great a reputational risk if he or she were to become a client. A bank might also refuse to start a banking relationship if it has doubts about the origins of the potential client's funds because Swiss banks are forbidden by law to accept money which they know or must assume stem from crime.

Can a company open an account?

A company may open a Swiss bank account irrespective of whether its registered office is in Switzerland or abroad. If the company's registered office is in Switzerland then the company is identified with the relevant extract from the Swiss Commercial Register which the bank may download from the relevant website. The identity of legal entities not listed in the Swiss Commercial Register is verified on the basis of their charters or equivalent documents. The same principles basically apply to companies with their registered office abroad. However, if the registered office is in a country that does not operate an official commercial register then the company must prove it exists by showing equivalent relevant credentials. Extracts from commercial registers or equivalent documents must not be older than 12 months. A document dated older than 12 months may be used in conjunction with an audit report or a "certificate of good standing" dated not older than 12 months.

Special rules apply to domiciliary companies. Under Swiss law "domiciliary companies" are entities that do not conduct any commercial or manufacturing business or any other form of commercial operation in the country where their registered office is located. Besides producing the identification documents mentioned above they must also declare the identity of the beneficial owners of their assets.

How can I open an account from my home country?

First of all it must be understood that Swiss banks have very strict procedures concerning the opening of accounts, irrespective of the domicile of the customer. In line with Swiss laws governing "due diligence", the bank must verify the identity of the customer on the basis of an official document (e.g. a passport). If the Swiss bank you are interested in has a subsidiary, branch or representative office in your country you may consider contacting this office. If the bank is not represented in your country, please get in touch directly with the bank in Switzerland which will then provide you with further information.

Can I open a Swiss bank account entirely via the Internet?

No, because technical and legal reasons prevent the customer identification procedure from being carried out entirely online via the Internet. At the present time banks in Switzerland must follow the identification procedures laid down for opening an account by correspondence. In accordance with the Due Diligence Agreement (CDB 08), the bank verifies the identity of the contracting partner by obtaining a certified copy of an official identification document (passport, identity card, etc.). The certified copy may be provided by a branch, representative office or group company of the bank; by a correspondent bank; by a financial intermediary specifically appointed by the bank; or by a notary public or public office that customarily issues such authentications. The bank also checks the address of the new customer through an exchange of correspondence.

For more information on this subject please consult the "Frequently Asked Questions" on the website of the Swiss Financial Market Supervisory Authority FINMA ▷ www.finma.ch.

What questions will the bank ask me?

First of all, the bank's staff will certainly ask questions to fulfil the bank's legal obligations with regard to due diligence. This will include asking for proof of your identity and also establishing the identity of the beneficial owner of the assets if you are

depositing funds on behalf of someone else. The bank's staff might also ask about the origin of the funds, the nature of your professional business, your general financial situation and your usual financial transactions.

What documentation will the bank want to see?

As mentioned above, Swiss banks are obliged to verify the identity of a client. For this reason a bank would very much prefer to meet you face-to-face for an initial discussion. The bank will certainly want to see official identification papers such as a valid passport or an equivalent official identification document containing a photograph. The bank may also ask for documentation that can prove the origin of your funds, such as the contract for a house sale, a statement from a foreign bank, a receipt from the sale of securities, etc.

Can I open an "anonymous" account?

No. There is no such thing as an "anonymous" account in Switzerland. Under Swiss law, the bank must know who you are. Anonymous accounts at Swiss banks exist only in the imagination of thriller writers!

What about "numbered" accounts?

The procedure for opening a "numbered" account is exactly the same as for any other type of account. The bank must verify your identity and establish the identity of the beneficial owner. "Numbered" accounts are certainly not anonymous. With a "numbered" account your business within the bank is carried out not under your name but under a number or code. This is simply an internal security measure to restrict knowledge of the customer's identity to a small group of employees in the bank and apart from this a "numbered" account enjoys no additional privileges in terms of confidentiality. "Numbered" accounts should not be used for international wire transfers. According to international regulations the client's name, address and account number must be given when making international wire transfers.

Is there a minimum opening deposit?

Most Swiss high-street banks do not require a minimum deposit for an ordinary current or savings account. However, some of the private bankers and other banks offering private banking and wealth management services do require a minimum deposit.

Does the account have to be in Swiss francs?

No. Many banks offer accounts in US dollars, euros and other currencies besides the Swiss franc.

How safe are Swiss banks?

All banks operating in Switzerland must be licensed by the Swiss Financial Market Supervisory Authority FINMA. The FINMA, which is a member of the Basel Committee on Banking Supervision, regulates and supervises all banks in Switzerland according to the Basel Committee's standards. These standards cover not only equity and capital adequacy but also the entire scope of prudential and behavioural rules. As an additional safety measure, Swiss law demands capital adequacy standards even higher than those required by the Basel Accord. Swiss banks can therefore certainly be counted amongst the safest in the world.

How "secret" are Swiss banks?

In Switzerland great importance has traditionally been attached to the protection of an individual's privacy, and this has always included financial privacy. Surveys consistently show that the vast majority of the Swiss people want to maintain this protection. However, the high level of confidentiality Swiss banks offers both their domestic and foreign customers is not absolute and certainly does not shield criminals. As a matter of principle the rights to privacy can be suspended when a criminal investigation is underway. Our aim is to protect the privacy of the honest bank client while exposing criminals to the full force of the law.